The economy of India is one of the fastest growing economies in the world. Since its independence in the year 1947, a number of economic policies have been taken which have led to the gradual economic development of the country. On a broader scale, India economic reform has been a blend of both social democratic and liberalization policies.

**Economic reforms during the post independence period**

The post independence period of India was marked by economic policies which tried to make the country self sufficient. Under the economic reform, stress was given more to development of defense, infrastructure and agricultural sectors. Government companies were set up and investment was done more on the public sector. This was made to make the base of the country stronger. To strengthen the infrastructure, new roads, rail lines, bridges, dams and lots more were constructed.

During the Five Years Plans initiated in the 1950s, the economic reforms of India somewhat followed the democratic socialist principle with more emphasis on the growth of the public and rural sector. Most of the policies were meant towards the increase of exports compared to imports, central planning, business regulation and also intervention of the state in the finance and labor markets. In the mid 50's huge scale nationalization was done to industries like mining, telecommunications, electricity and so on.

**Economic Reforms during 1960s and 1980s**

During the mid 1960's effort was made to make India self sufficient and also increase the production and export of the food grains. To make the plan a success, huge scale agricultural development was undertaken. The government initiated the ‘Green Revolution’ movement and stressed on better agricultural yield through the use of fertilizers, improved seed and lots more. New irrigation projects were undertaken and the rural banks were also set up to provide financial support to the farmers.

The first step towards liberalization of the economy was taken up by Rajiv Gandhi. After he became the Prime Minister, a number of restrictions on various sectors were eased, control on pricing was removed, and stress was given on increased growth rate and so on.

**Economic Reforms during 1990s to the present times**

Due to the fall of the Soviet Union and the problems in balance of payment accounts, the country faced economic crisis and the IMF asked for the bailout loan. To get out of the situation, the then Finance Minister, Manmohan Singh initiated the economic liberation reform in the year 1991. This is considered to be one of the milestones in India economic reform as it changed the market and financial scenario of the country. Under the liberalization program, foreign direct investment was encouraged, public monopolies were stopped, and service and tertiary sectors were developed.

Since the initiation of the liberalization plan in the 1990s, the economic reforms have put emphasis on the open market economic policies. Foreign investments have come in various sectors and there has been a good growth in the standard of living, per capital income and Gross Domestic Product.

Due to the global meltdown, the economy of India suffered as well. However, unlike other countries, India sustained the shock as an important part of its financial and banking sector is still under government regulation. Nevertheless, to cope with the present situation, the Indian government has taken a number of decisions like strengthening the banking and tertiary sectors, increasing the quantity of exports and lots more.

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